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REPORT OF THE SELECT COMMITTEE ON THE KERALA STATE HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY (SPECIAL PROVISIONS) BILL, 1960 AND THE BILL AS REPORTED BY THE COMMITTEE.

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THE KERALA STATE HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY (SPECIAL PROVISIONS) BILL, 1960

Report of the Select Committee

The Select Committee to which the Kerala State Handloom Weavers' Co-operative Society (Special Provisions) Bill, 1960, was referred, have considered the Bill clause by clause and now submit this, their report with the Bill as amended by the Committee annexed thereto.

2. The Bill was published in the Gazette Extraordinary dated 14th March 1960. It was introduced in the Legislative Assembly on the 16th March 1960 and was referred to a Select Committee on the 17th March 1960.

3. **Clause 2.**—Consequent on the changes proposed by the Committee to clause 3, it has become necessary to define certain terms. The Committee has included the definitions of these terms in this clause.

4. **Clause 3.**—This clause provides for the amalgamation of the three Central Handloom Weavers' Co-operative Societies, but such amalgamation is possible only if the societies are willing to be amalgamated. The Committee consider that power should be taken for the compulsory amalgamation of the societies if they do not voluntarily amalgamate within a specified time and that the provisions of sub-section (1A) of section 16 of the Travancore-Cochin Co-operative Societies Act, 1951, should be applicable for such amalgamation.

The Cochin Central Co-operative Cottage Industries Marketing Society, Trichur, is at present a multi-purpose society, including Handloom. Before amalgamation, it is necessary that the Handloom Weavers' Society is separated by the division of the society. Similarly the Travancore Sreemoolam Handloom Weavers' Central Co-operative Society, Trivandrum, has to be reconstituted under section 5A of the Multi Unit Co-operative Societies Act, 1942, before the amalgamation since its objects extended to Kanyakumari District, now forming part of Madras State. It is the Handloom Weavers' Co-operative Society formed by the division of the Trichur Society, the reconstituted Trivandrum Society and the Kerala Handloom Weavers' Co-operative Society, Kozhikode, that are to amalgamate. The Committee consider that this should be made clear in this clause.

The clause has been modified to implement the above proposals.

5. Clause 5.—The Committee consider that there should be a provision for making rules providing for matters incidental, consequential or supplementary to the amalgamation of the societies. This new clause provides for this.

6. Clause 6.—The Committee also feel that there should be a provision for the removal of difficulties that may arise in the implementation of the provisions of the Act. A new clause has been added for this purpose.

7. The other changes made by the Committee are only either verbal or consequential.

K. A. DAMODARA MENON,
Chairman of the Select Committee.

THE KERALA STATE HANDLOOM WEAVERS' CO-OPERATIVE SOCIETY (SPECIAL PROVISIONS) BILL, 1960

(*As amended by the Select Committee*).

(The side lines and under lines indicate the changes made by the Committee)

A

BILL

to make special provisions for the formation of the Kerala State Handloom Weavers' Co-operative Society.

Preamble.—WHEREAS it is deemed necessary to make special provisions for the formation of the Kerala State Handloom Weavers' Co-operative Society;

BE it enacted in the Eleventh Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Kerala State Handloom Weavers' Co-operative Society (Special Provisions) Act, 1960.

(2) It extends to the whole of the State of Kerala.

(3) It shall come into force on such date as the Government may, by notification in the Gazette, appoint.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(1) "Madras Act" means the Madras Co-operative Societies Act, 1932, as in force in Malabar;

(2) "Malabar" means the Malabar district referred to in sub-section (2) of section 5 of the States Reorganisation Act, 1956 (Central Act 37 of 1956);

(3) "Travancore-Cochin Act" means the Travancore-Cochin Co-operative Societies Act, 1951;

(4) "Kozhikode Society" means the Kerala Handloom Weavers' Co-operative Society, Limited, No. 142, Kozhikode;

(5) "Trichur Society" means the Cochin Central Co-operative Cottage Industries Marketing Society, Limited, No. 401, Trichur;

(6) "Trivandrum Society" means the Travancore Sree-moolam Handloom Weavers' Central Co-operative Society, Limited, No. 508, Trivandrum;

(7) "Registrar" means the Registrar of Co-operative Societies appointed under section 3 of the Travancore-Cochin Act;

(8) "State" means the State of Kerala.

3. *Formation of the Kerala State Handloom Weavers' Co-operative Society.*—Notwithstanding anything to the contrary contained in the Madras Act or the Travancore-Cochin Act,—

(1) where the Trichur Society divides itself into a handloom weavers' co-operative society and one or more other co-operative society or societies, and the Trivandrum Society is reconstituted or reorganised under section 5A of the Multi-Unit Co-operative Societies Act, 1942 (Central Act 6 of 1942), then it shall be lawful for—

(i) the handloom weavers' co-operative society formed by the division of the Trichur Society;

(ii) the co-operative society formed by the reconstitution or reorganisation of the Trivandrum Society and functioning in the State; and

(iii) the Kozhikode Society,

to amalgamate as a single co-operative society in accordance with the procedure specified in sub-section (1) of Section 16 of the Travancore-Cochin Act, and for the purpose of such amalgamation the Kozhikode Society shall be deemed to be a co-operative society registered under the Travanocre-Cochin Act;

(2) if for any reason the amalgamation of the three societies aforesaid does not take place within three months of the commencement of this Act or within such further time as may be allowed by the Registrar in this behalf and the Registrar is of opinion that the amalgamation of the three societies is necessary or desirable for increasing their strength or usefulness, he may, after consulting, in the manner prescribed by rules made by the Government, the financing banks to which the societies are indebted, call upon such societies to amalgamate within such time as may be specified by him into one co-operative society in accordance with the procedure specified in sub-section (1) of section 16 of the Travanocre-Cochin Act;

(3) if the societies fail to amalgamate into one society within the time specified by the Registrar, he may, after giving an opportunity to the Committee of each of the societies to state its objections, if any, direct the amalgamation of the societies into one society and thereupon the provisions of clause (iii) to (vii), both inclusive, of sub-section (1A) of section 16 of the Travancore-Cochin Act shall apply in respect of the amalgamation of the said societies:

Provided that the first bye-laws of the co-operative society formed by the amalgamation of the three societies in pursuance of this clause shall be made by the Registrar and he shall forward a copy of the said bye-laws to the committee of each of the societies when giving it opportunity under this clause to state its objections, if any, in regard to the proposed amalgamation;

(4) the co-operative society formed by the amalgamation of the three co-operative societies in pursuance of clause (1), clause (2) or clause (3) shall be registered as a co-operative society under the Travancore-Cochin Act and it shall be called the Kerala State Handloom Weavers' Co-operative Society, hereinafter referred to as the Apex society;

(5) the area of operation of the Apex society shall be the whole State;

(6) any handloom weavers' co-operative society registered or deemed to be registered under the Madras Act and having its area of operation in Malabar shall be entitled to become a member of the Apex society in accordance with and subject to the provisions of the Travancore-Cochin Act, the rules made thereunder and the bye-laws of the Apex society, as if such handloom weavers' co-operative society were a co-operative society registered under the Travancore-Cochin Act;

(7) where a handloom weavers' co-operative society registered or deemed to be registered under the Madras Act becomes a member of the Apex society, whether consequent on the amalgamation or under clause (6) the rights and liabilities of that member society as such member and the rights and liabilities of the Apex society in its relation to such member society, shall be governed by the provisions of the Travancore-Cochin Act, the rules made thereunder and the bye-laws of the Apex society, and for the purposes aforesaid the Travancore-Cochin Act shall be deemed to extend to the whole State.

4. *Provisions of the Madras Act to govern in certain matters.*—Save as otherwise provided in section 3, the rights and liabilities of a society registered or deemed to be registered under the Madras Act, which has become a member of the Apex society, whether consequent on the amalgamation or under clause (6) of section 3, shall continue to be governed by the provisions of the Madras Act, the rules made thereunder and the bye-laws of that society.

5. *Power to make rules for facilitating amalgamation.*—(1) The Government may, by notification in the Gazette, make rules providing for such incidental, consequential or supplementary matters as in their opinion are necessary for fully and effectually carrying out the purposes of this Act.

(2) All rules made under this Act shall be laid for not less than seven days before the Legislative Assembly, as soon as possible after they are made and shall be subject to such modifications, whether by way of repeal or amendment, as the Legislative Assembly may make during the Session in which they are so laid or the Session immediately following.

6. *Power to remove difficulties.*—If any difficulty arises in giving effect to the provisions of this Act, the Government may, as occasion may require, do anything, not inconsistent with such provisions, which appears to them to be necessary for the purpose of removing the difficulty.

D. TIRUMALAI,

Secretary,

Legislative Assembly.